

EXHIBIT 1

Diane L. Pefley

February 17, 2005

Page 1

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

CASEY INVESTIGATIONS, LLC, a)
Washington Limited Liability)
Company and MARIO A. TORRES,)
an individual,)
Plaintiffs,)
vs.) No. CV04-1453C
PRONTO PROCESS SERVICE, INC.,)
a Washington corporation;)
NORTHWEST RAIL ENTERPRISES,)
INC., a Washington corporation;)
MARK OWENS, an individual;)
GREGORY and MARY LEE RUSTAND,)
individually and as a married)
couple; DIANE PEFLEY, an)
individual; A to Z LEGAL)
SUPPORT SERVICES, a Washington)
business entity; ROBERT G.)
LACK, an individual; WASHINGTON)
STATE PROCESS SERVERS)
ASSOCIATION, a Washington)
business association,)
Defendants.)

Deposition Upon Oral Examination Of
DIANE L. PEFLEY

23 701 Fifth Avenue, #6500, Seattle, Washington
24 DATE: February 17, 2005
25 REPORTED BY: Mindi L. Pettit, RPR, CCR #2519

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1 happened with those documents?
 2 A. The final minutes from the convention -- that
 3 last one?
 4 Q. Correct.
 5 A. I then e-mailed those over to the president
 6 and to the other members, and then those are kept, and
 7 they just put them in -- publish them in the
 8 newsletter. And the president keeps them, I believe.
 9 Q. What happens to the -- the minutes you kept
 10 that were not in the final version?
 11 A. All of my minutes were in the final version.
 12 Q. So there was nothing that was ever edited out
 13 when you prepared a final version; is that correct?
 14 A. Huh-uh.
 15 Q. And how would you record the minutes? Would
 16 you write down everything that everyone was saying?
 17 A. Pretty much. Yup.
 18 Q. So you kept -- you kept verbatim notes on each
 19 meeting?
 20 A. I write everything down, take minutes of all
 21 the motions and, you know, the important things.
 22 Q. And what was the name of the previous
 23 secretary?
 24 A. The one that left?
 25 Q. That you replaced.

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1 Q. So, if I understand correctly, Amber was then
 2 elected for 2004?
 3 A. Um-hum.
 4 Q. And that was probably done at the 2003 annual
 5 convention; is that correct?
 6 A. Um-hum, yes.
 7 Q. Yes, okay. I -- it's all right. You'll get
 8 used to --
 9 A. Okay. I just keep trying to think.
 10 Q. Okay. And do you have any memory of who the
 11 secretary was for 2003?
 12 A. No, I don't.
 13 Q. Do you have any memory of who the secretary
 14 was for 2002?
 15 A. Perhaps Myrna Allen.
 16 Q. Myrna Allen -- could you spell her name.
 17 A. M-y-r-n-a, A-l-l-e-n.
 18 Q. An e-n?
 19 A. Um-hum.
 20 Q. When you became secretary, did anyone give any
 21 papers, documents, or electronic files to you?
 22 A. No, sir.
 23 Q. So my understanding is you received the -- the
 24 position of secretary and no information regarding
 25 it --

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1 A. I believe it was Amber. I don't remember her
 2 last name.
 3 Q. Do you know what business she worked with?
 4 A. ABC.
 5 Q. And she was the secretary for the first part
 6 of --
 7 A. I believe so.
 8 Q. -- 2004? It's important to --
 9 MR. WINSKILL: Let him finish.
 10 Q. -- let me finish the question before you
 11 answer.
 12 A. Oh, I'm sorry.
 13 Q. It helps the court reporter to take --
 14 A. Okay. Sorry.
 15 Q. -- down both. All right. Who was the
 16 secretary prior to Amber?
 17 A. I don't remember.
 18 Q. Are the secretaries elected on a yearly basis?
 19 A. Yes.
 20 Q. Are they elected at the end of the prior year
 21 or at the beginning of the new year?
 22 A. They are elected at the annual convention each
 23 year.
 24 Q. And that takes place when?
 25 A. Generally in September.

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1 A. No, no, I -- there is no -- the minutes, I'm
 2 assuming, from the months before, whoever had done,
 3 they went to the president, and he kept them. I just
 4 would go to the meeting and take the notes for that
 5 meeting to type them up for the next meeting to finish
 6 out the year. I was given nothing.
 7 Q. Okay. So, when you compiled the final
 8 minutes, you didn't combine --
 9 A. No.
 10 Q. -- the minutes from the first meeting with the
 11 minutes from the meetings you took --
 12 A. No.
 13 Q. -- is that correct? I'd like to ask you a few
 14 questions about the purpose of the association. What
 15 is your understanding of the purpose of the WSPSA?
 16 A. My understanding is the purpose -- we have a
 17 lobbyist that -- we go try and get a handle on
 18 different things in the legislature that's going to
 19 affect our industry. We give support to others that
 20 have process serving business that belong to the
 21 association, training, just trying to help each other,
 22 you know, to stand behind them in their business, to
 23 keep them up to date on the current and the correct
 24 laws, so that we can -- are serving process correctly,
 25 being an asset to the attorney and not hindrance.

8 (Pages 26 to 29)

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1 Q. Now, when you say "training," what do you mean
 2 by "training"?
 3 A. Maybe "training" was the wrong word. I
 4 suppose giving -- what do I want to say? You know,
 5 talking -- telling you the specifics of different laws,
 6 things that are going on within the process serving
 7 industry, different laws that could be coming down,
 8 from whether it be the sheriff or somebody that could
 9 affect us adversely, things that we need to know about
 10 to -- to continue to provide, you know, our service to
 11 you as the attorneys.

12 Q. What sorts of things would -- would that be?

13 A. Serving process of your documents, serving
 14 your summons and complaints.

15 Q. So the training would involve teaching people
 16 how to serve documents?

17 A. I don't believe we teach people how to serve
 18 documents. WSPSA has provided -- has compiled a -- a
 19 handbook that they have sold to different people that
 20 gives you all the RCWs and statute, kind of a condensed
 21 version. I call it a process server's Bible, if you
 22 want to look up to make sure that you're serving
 23 process the correct way. I think they're instrumental
 24 in teaching people the correct way to serve process, to
 25 know how to serve a document.

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1 Q. Okay. Who publishes the -- the handbook?
 2 A. WSPSA published the handbook.

3 Q. Do they provide it to all their members?
 4 A. Yes, they had it for all the members to

5 purchase.

6 Q. Okay. How much does that cost?

7 A. I believe they were like \$8, but I don't
 8 remember.

9 Q. Is that book available for purchase by
 10 nonmembers?

11 A. Yes.

12 Q. And how is that marketed to nonmembers?

13 A. I would imagine if you just contact somebody
 14 from -- you know, that's a member of WSPSA, they
 15 would -- would either get you one or tell you who to
 16 contact.

17 Q. Is there -- are you aware of any marketing of
 18 that particular book, or is there --

19 A. No, sir.

20 Q. Okay. How would an outside person know of its
 21 existence?

22 A. I -- that, I wouldn't know. I . . .

23 Q. How does the -- you talked earlier about
 24 supporting other members. What did you mean by
 25 "supporting other members"?

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1 A. Well, you have a membership handbook. If
 2 you're looking for -- if I had a paper that came into
 3 my office that needed to be served in Everett, I have a
 4 handbook that has a list of all the members. I can
 5 pick it up, I can call one of them, ask them if they
 6 would be able to serve this document for me, or did
 7 they know somebody that was in their area that could.
 8 Probably not a lot different than belonging to the Bar
 9 Association. You kind of have a network of people that
 10 you can talk to if you need to talk to somebody, you
 11 know.

12 Q. So, other than the -- the handbook and the
 13 list of members for referrals, is there any other
 14 support that the WSPSA provides to its members?

15 A. Not that I know of. Not that -- excuse me,
 16 no.

17 Q. Is the referral list part of the handbook?

18 A. What do you mean, the membership booklet?

19 Q. Yes. Earlier, when you spoke about being able
 20 to look up the names of people to contact for
 21 service --

22 A. Anybody that is a member gets published in the
 23 membership handbook.

24 Q. Okay.

25 A. And it's distributed out.

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1 Q. Is the membership handbook different from
 2 the -- the Bible?

3 A. From the Bible?

4 Q. Yes.

5 A. Yeah. The Bible doesn't have their names in
 6 it.

7 Q. By "Bible," we mean, the --

8 A. The handbook -- the process serving manual,
 9 yes.

10 Q. And is that -- how often is that membership
 11 handbook published?

12 A. I believe they publish it every year.

13 Q. Approximately how many members does WSPSA
 14 have?

15 A. Right now, I don't know. I would imagine
 16 somewhere in the neighborhood of 150 perhaps.

17 Q. When you were secretary, do you have an idea
 18 of how many --

19 A. I don't recall the number, no, I don't.

20 Q. We have to -- you have to let me finish
 21 speaking before you talk.

22 A. Okay.

23 Q. Thank you.

24 A. I'm sorry.

25 Q. That's okay. It just makes it easier for --

9 (Pages 30 to 33)

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1 A. It does.
 2 Q. I'd like to talk to you about how the -- how
 3 the referrals work. Could you walk me through how you
 4 would refer the servicing papers to another member of
 5 the WPSA.
 6 A. Well, I don't know that -- that -- I don't
 7 mean like I'm referring. I can use anybody I --
 8 whoever -- I use this as a handbook. These are my
 9 members that I've got in the state of Washington. So,
 10 if I don't know another process server somewhere, this
 11 is a good guide, a good place to start.
 12 Q. Okay.
 13 A. I mean, I use a lot of people that's probably
 14 not in that book.
 15 Q. Okay. In 2003, did you use anybody -- and by
 16 "you," I think I'm referring to you in your role as an
 17 employee of A to Z.
 18 A. Um-hum.
 19 Q. Did you refer any business to people who were
 20 not in the handbook?
 21 A. I believe so, yes.
 22 Q. And who was that?
 23 A. Royce Enterprises. I'm not sure if they're in
 24 there.
 25 Q. And who is Royce Enterprises?

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1 A. They have a process serving business in
 2 Yakima. They may be a member now though.
 3 Q. Does A to Z get referrals from out of state
 4 for service in Washington?
 5 A. Get referrals? You mean -- explain.
 6 Q. Are there papers from out of state that --
 7 A. Do I get papers in from out of state? Is that
 8 what you're asking me?
 9 Q. Yes.
 10 A. Yes.
 11 Q. To be served in Washington.
 12 A. Yes.
 13 Q. All right. And how do you come by those
 14 papers?
 15 A. I don't know how they got my name.
 16 Q. Are you a member of any other organization?
 17 A. No.
 18 Q. Are you aware that there is a national
 19 association of process servers?
 20 A. Yes.
 21 Q. And what is that association called?
 22 A. National Association of Professional Process
 23 Servers.
 24 Q. And I believe its nickname is NAPPS. Is that
 25 correct?

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1 A. Yes.
 2 Q. Are you a member of NAPPS?
 3 A. I am not personally. My corporate office is.
 4 Q. By "corporate office," you mean, A to Z is a
 5 member of NAPPS?
 6 A. SSP.
 7 Q. SSP is a member of NAPPS?
 8 A. (Witness nodded.)
 9 Q. Is A to Z wholly owned by SSP?
 10 A. Yes, it is.
 11 Q. Do you know if A to Z is listed with NAPPS?
 12 Which is another way of asking if NAPPS has a
 13 membership handbook in the same way that WPSA has.
 14 A. I have not -- WS -- or NAPPS does have a book.
 15 I have not looked in it. I'm not sure if A to Z and
 16 SSP are listed in there separately or not.
 17 Q. Have you ever been a member of NAPPS?
 18 A. Not personally, no.
 19 Q. Okay. Has A to Z while you were an owner been
 20 a member of NAPPS?
 21 A. No.
 22 Q. So your -- is it correct to say that your
 23 understanding of A to Z's membership in NAPPS was after
 24 the Rustands purchased it? Is that correct?
 25 A. Only -- I am not sure if it's, you know,

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1 under -- as A to Z and Rustand, Inc., SSP, or if it's
 2 just under one listing, under the corporate umbrella.
 3 Q. But your understanding is that occurred after
 4 they acquired A to Z?
 5 A. Yes. Yes.
 6 Q. How do you determine your pricing for the
 7 service of process in the Moses Lake area?
 8 A. In Moses Lake -- just Moses Lake?
 9 Q. Well, or for Grant County.
 10 A. I determine my pricing by my service fee, my
 11 mileage, my affidavit fee.
 12 Q. What is an affidavit fee?
 13 A. The typing of my affidavit. Your -- your
 14 return.
 15 Q. And how much does that cost?
 16 A. I flat rate everything in Moses Lake. If I
 17 get outside of the area, I charge mileage.
 18 Q. What is the flat fee in the Moses Lake area?
 19 A. \$40, unlimited attempts.
 20 Q. And outside of Moses Lake, what is the -- what
 21 is the fee?
 22 A. It's \$15, plus mileage, plus your affidavit
 23 fee, so it equals out to about \$25 plus your mileage,
 24 would be a good average for you.
 25 Q. So the affidavit fee is approximately \$10; is

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1 that correct?
 2 A. 7 and 5 -- yeah, about -- probably 12,
 3 actually. So you're looking at probably a \$25 service
 4 fee and a mileage fee.
 5 Q. In what counties does A to Z serve papers or
 6 conduct business?
 7 A. Grant, Adams, Douglas, Chelan, Lincoln,
 8 Okanogan, Stevens, and Ferry County.
 9 Q. Does A to Z have offices in each of those
 10 counties?
 11 A. No, I do not.
 12 Q. Your office is located in --
 13 A. In Moses Lake.
 14 Q. In Moses Lake?
 15 A. Um-hum.
 16 Q. How do you effect service in those other
 17 counties?
 18 A. Get in my car and drive.
 19 MR. WINSKILL: Can you deal with the light?
 20 It is getting in your eyes there?
 21 THE WITNESS: No, I'm okay.
 22 MR. MYHRE: We can lower the shades if you
 23 need to.
 24 THE WITNESS: No, it's fine.
 25 Q. I'd like to talk now about your relationship

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1 Q. When you say "gotten to know them," what does
 2 that mean?
 3 A. After I -- you know, once you meet people and
 4 then you kind of are around them a little more and you
 5 develop a friendship and you start talking about things
 6 and you find you like those people.
 7 Q. And you developed a friendship with the
 8 Rustands?
 9 A. Yes, I did.
 10 Q. Is it a close friendship?
 11 A. I'd say so.
 12 Q. And when you say "friendship," what does that
 13 entail?
 14 A. That means that if I decide I'm going to go to
 15 Bellingham, that I'm more than welcome to stay at
 16 Semiahmoo for the night, if I'd like to.
 17 Q. So friendship means visiting and staying with
 18 them?
 19 A. Yes, not a lot. We're all busy.
 20 Q. But from time to time?
 21 A. Yes.
 22 Q. Between 2002 and the present, have you visited
 23 with them at their home?
 24 A. Yes.
 25 Q. How many times?

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1 with the Rustands.
 2 A. Um-hum.
 3 Q. And this is Gregory Rustand and MaryLee
 4 Rustand. Is it your understanding they're a married
 5 couple?
 6 A. Yes.
 7 Q. When did you first meet the Rustands?
 8 A. '94, '95.
 9 Q. And how did you meet them?
 10 A. At a WSPSA meeting.
 11 Q. Was that the yearly meeting --
 12 A. Yes.
 13 Q. -- for WSPSA?
 14 A. Um-hum.
 15 Q. Okay. What -- what did you speak about with
 16 them at that time?
 17 A. "Hi, my name is Diane."
 18 Q. Beyond simple introductions --
 19 A. That's about it.
 20 Q. How did they come to -- to communicate to you
 21 that they wanted to buy your business?
 22 A. Oh, it was probably several years after I had
 23 gotten to know them. Talk just came around about,
 24 "Like to merge our businesses. What do you think about
 25 doing that?" Thought about it for about a year.

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1 A. Half a dozen.
 2 Q. In 2003, do you recall how many times you
 3 visited the Rustands in their home?
 4 A. No, I don't.
 5 Q. Is it fair to say on average you visit them a
 6 couple times a year?
 7 A. That's fair, yes.
 8 Q. When you talk with the Rustands, are your
 9 conversations merely about business, or do they include
 10 personal information also?
 11 A. I would say it goes a whole realm of things,
 12 business . . . They don't get real involved in my
 13 personal life.
 14 Q. Do you talk with them about your personal
 15 life?
 16 A. Some.
 17 Q. We've been discussing the Rustands kind of as
 18 a -- as a unit, as two people. I'd like to talk about
 19 them individually now.
 20 A. Okay.
 21 Q. You said that you primarily discuss business
 22 with the Rustands; visit them, on average, a couple
 23 times a year; and sometimes discuss your personal life.
 24 A. Um-hum.
 25 Q. Regarding Gregory Rustand, is that a fair

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<p style="text-align: right;">Page 42</p> <p>1 characterization of your relationship to him, or is 2 that relationship more business than personal? 3 (Mr. Fearing left.) 4 A. I'd say it's a 50-50 split. 5 Q. And with MaryLee Rustand? 6 A. The same thing. 7 Q. So do you discuss all aspects of your business 8 with MaryLee Rustand? 9 A. Of A to Z? 10 Q. A to Z, yes. 11 A. Absolutely. 12 MR. WINSKILL: Let's take a five-minute break. 13 MR. MYHRE: Okay. 14 (Brief recess.) 15 (Mr. Fearing present.) 16 MR. MYHRE: Back on the record. 17 Q. All right. Ms. Pefley, before we took our 18 break, we were discussing your relationship with the 19 Rustands. 20 A. Um-hum. 21 Q. And I believe we just discussed that your 22 relationship with them individually, Gregory and 23 MaryLee -- for both of them, it's about a 50-50 split 24 between discussing business issues and discussing 25 personal issues --</p>	<p style="text-align: right;">Page 44</p> <p>1 A. It would be AMPM Process Serving, I -- I think 2 their name . . . 3 Q. Do you know anyone associated with AMPM 4 Process Serving? 5 A. It's Pauline and Darwin Hines. I know both of 6 them personally. 7 Q. Are they members of WPSA? 8 A. I believe Darwin was a founding -- one of the 9 founding members. 10 Q. Do you believe they're currently members? 11 A. I don't recall. I know he's ill. 12 Q. Is it your understanding that they were 13 members in 2002 and 2003 -- and/or? 14 A. I believe they were. 15 Q. Is there any competition in the Moses Lake 16 area that is -- well, actually you said there is just 17 one competitor and that's their -- their business? 18 A. That's all I know of. 19 Q. So all of the volume of work in the Moses Lake 20 area is with A to Z; is that correct? 21 A. I don't know about -- 22 MR. WINSKILL: Well, other than the competitor 23 she just named? 24 MR. MYHRE: Other than that competitor. 25 Q. Do you have any understanding of how busy they</p>
<p style="text-align: right;">Page 43</p> <p>1 A. Yes. 2 Q. -- is that correct? 3 A. Yes. 4 Q. All right. When you discuss business issues 5 with them, what does -- what does that usually entail? 6 A. Employee issues, accounts payable issues, just 7 things about running that office, if there's 8 difficulty. 9 Q. Does that also include the volume of the 10 business? 11 A. Yes, we talk about the volume of the business. 12 Q. Does that also include competition in the 13 business? 14 A. No. Competition's really not -- everybody in 15 the world's got competition. I've got too much to do, 16 quite frankly. 17 Q. When you say "too much to do," do you mean, in 18 terms of business? 19 A. I have a lot -- yes, I'm very busy. 20 Q. So you do a large volume of business? 21 A. For a small office like Moses Lake, yes. 22 Q. Are there any competitors in the Moses Lake 23 area for your business? 24 A. I believe there's one. 25 Q. And who is that?</p>	<p style="text-align: right;">Page 45</p> <p>1 are? 2 A. I don't know. He's done it for 35 years, 3 so . . . 4 Q. <u>Ms. Pefley, when you refer service to another</u> 5 <u>WPSA member located in a different area, how is</u> 6 <u>pricing determined for service of that process?</u> 7 A. <u>Whatever they charge me, I pay it.</u> 8 Q. <u>So I wonder if you can clarify that for me.</u> 9 <u>How does that work?</u> 10 A. <u>I -- I don't know how somebody else charges.</u> 11 <u>I mean, I send a document out for service. I call them</u> 12 <u>in a week if I haven't heard from them. I say, Hey, do</u> 13 <u>you have so and so served on John Doe. "Yes, I do.</u> 14 <u>Get the affidavit out to you." And they send me the</u> 15 <u>affidavit and the bill. I stick the bill over for the</u> 16 <u>bookkeeper. She pays the bill and end of story.</u> 17 Q. <u>So do you pay the other member, or does your</u> 18 <u>client pay the other member for the service of process?</u> 19 A. <u>I pay them.</u> 20 Q. <u>So what that means -- if I understand this</u> 21 <u>correctly -- just walk me through from the beginning.</u> 22 A. <u>Okay,</u> 23 Q. <u>So I am an attorney. I'm new in town. I have</u> 24 <u>some papers that I need served, but I need them served</u> 25 <u>in a county where you don't normally work.</u></p>

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1 A. Okay.
 2 Q. So I give you these papers and say, "I need
 3 them served." What do you do?
 4 A. Okay. If you want something served in
 5 Spokane, I'll call Eastside Process and say, "Gail, I'm
 6 sending you a paper."
 7 "Is it a rush?"
 8 "No, just routine serve. Get it done as soon
 9 as you can for me." Stick it in the mail. Or if it's
 10 faxable, I'll fax it to her.
 11 Q. Okay.
 12 A. Okay?
 13 Q. And then how is that paid for?
 14 A. How is it paid for? There is no money that
 15 transfers right then.
 16 Q. Okay.
 17 A. Okay. So then she'll send me an affidavit of
 18 service. I would imagine her bill is going to be 35,
 19 \$45 if it's there in Spokane.
 20 Q. Okay. Then what happens? How is that paid?
 21 A. Then it goes in the stack of bills that goes
 22 to my bookkeeper, and the bookkeeper will pay her.
 23 Q. All right. So you --
 24 A. And I will send you a bill.
 25 Q. All right. So your bookkeeper will pay the

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1 A. This lawsuit would be one,
 2 Q. Are you aware of them prior to this lawsuit?
 3 A. Yes.
 4 Q. And how are you aware of them prior to this
 5 lawsuit?
 6 A. I've never met him.
 7 Q. Have you spoken with him?
 8 A. Never spoken with him.
 9 Q. Have you seen him?
 10 A. Never seen him.
 11 Q. How were you made aware of him?
 12 A. I can't remember what year I had the DSHS
 13 contract for Grant, Adams, Douglas, and Chelan
 14 Counties. It went out for bid. He also bid for those
 15 counties. He obviously did a better job at bidding
 16 than I did. He won it. It's the first time I ever
 17 heard of him.
 18 Q. Did you attend the -- the meeting for bidding
 19 on that contract --
 20 A. No, sir, I did not.
 21 Q. It's important to let me finish.
 22 A. Oh, gosh. I'm sorry.
 23 Q. You're very quick on the trigger.
 24 A. I know. I'm sorry.
 25 Q. So, when he was awarded the contract, that was

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1 person -- the other server --
 2 A. Yes.
 3 Q. -- in the other county directly?
 4 A. Yes.
 5 Q. And then you invoice the client --
 6 A. Yes.
 7 Q. -- that amount?
 8 A. Um-hum.
 9 Q. Okay.
 10 A. When I send you your affidavit, you'll have a
 11 nice little bill out in front of it.
 12 Q. Thank you.
 13 A. You're welcome. Remember that, and I'll do a
 14 good job for you.
 15 Q. Well, I do have a lot of friends in Spokane.
 16 A. Do you?
 17 Q. Actually I have family in Moses Lake also.
 18 A. Do you? Well, if you're ever over there . . .
 19 Q. That was a very clear explanation.
 20 A. Okay.
 21 Q. I'd like to discuss the plaintiffs with you at
 22 this point. Are you aware of Mario Torres or Casey
 23 Investigations?
 24 A. Yes.
 25 Q. Okay. And how are you aware of them?

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1 the first time you became aware of him; is that
 2 correct?
 3 A. Um-hum.
 4 MR. WINSKILL: Say --
 5 A. Yes.
 6 Q. What was the next piece of information you
 7 learned about Mr. Torres or Casey Investigations?
 8 A. I don't know.
 9 Q. Do you know anything about him other than the
 10 plaintiffs were awarded that contract?
 11 A. Do I know the rumors I heard about him?
 12 That's all I know. I don't know anything about him.
 13 Q. So, other than the rumors, you don't know
 14 anything about him?
 15 A. No. No.
 16 Q. Do you know where he's located?
 17 A. I believe he's in -- somewhere in the
 18 Tri-Cities area.
 19 Q. Do you know if the plaintiffs serve any papers
 20 in -- in the Moses Lake area or Grant County?
 21 A. I believe that he probably does.
 22 Q. And what is the basis for that belief?
 23 A. Well, when he got the support enforcement
 24 contract, it was for Grant County.
 25 Q. And A to Z was the previous holder of that

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1 contract?
 2 A. Um-hum. Yes.
 3 Q. Yes. Ms. Pefley, you mentioned rumors. Let's
 4 talk about those rumors. What were the rumors that you
 5 heard?
 6 A. I had heard that he had gone to one of my
 7 clients and told them that he could serve the papers
 8 cheaper than I could or anybody that was a member of
 9 WSPSA, because WSPSA dictates the amount of money that
 10 we could charge.
 11 Q. And what else did you hear?
 12 A. At that time, I didn't hear anything for a
 13 while, until I heard he was under investigation.
 14 Q. Well, let's see. So how many rumors are we
 15 talking about?
 16 A. Couple. Those two.
 17 Q. So there are two rumors; is that correct? And
 18 the first rumor is -- that you heard is that he had
 19 gone to one of your clients and said that he could
 20 serve for less money than A to Z could serve; is that
 21 correct?
 22 A. Yes, because we -- WSPSA price fixes, not just
 23 that he could serve cheaper.
 24 Q. When did you hear that rumor?
 25 A. I don't know. I -- I could not tell you a

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1 date because why would I have thought it would have
 2 been important to remember that?
 3 MR. WINSKILL: Just answer the question.
 4 THE WITNESS: I don't know.
 5 Q. Since you don't know the specific day, maybe
 6 we can narrow down to an area in time.
 7 A. Okay.
 8 Q. Would it be around the time he got the
 9 contract for the State?
 10 A. That's hard for me to answer.
 11 Q. Okay.
 12 A. I don't know.
 13 Q. Maybe we can try it by year. Did you hear
 14 that rumor in 2002?
 15 A. If he could tell me when he started serving
 16 process for Olympic Credit, I could tell you when I
 17 heard it.
 18 Q. And why is that?
 19 A. Because I heard it from someone at Olympic
 20 Credit, when they stopped using me.
 21 Q. All right. And what was the second rumor you
 22 heard?
 23 A. The next time I heard anything about him was
 24 that he was under investigation.
 25 Q. All right. And "under investigation," do you

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1 know with --
 2 A. From his -- from his job that he had with the
 3 State.
 4 Q. And who told you that?
 5 A. Mark Owens and Dennis Copeland.
 6 Q. Did they tell you that at the same time or
 7 independent of each other?
 8 A. Independent of each other.
 9 Q. Did they speak with you in person or on the
 10 telephone or --
 11 A. Telephone.
 12 Q. Do you recall when that was?
 13 A. No, sir, I don't.
 14 Q. Was it in the summer of 2003?
 15 A. I would like to say spring, early summer
 16 perhaps.
 17 Q. When you say "spring, early summer," what
 18 months?
 19 A. I don't know. March, April, May.
 20 Q. So, other than these two rumors, that he was
 21 under investigation and that he could charge a lower
 22 price because he can charge less than the WSPSA --
 23 A. Um-hum.
 24 Q. Did you hear anything else about Mario
 25 Torres or Casey Investigations?

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1 A. No.
 2 Q. Have you ever spoken about the plaintiffs
 3 to -- to any other party? To any other person?
 4 A. Repeat it one more time.
 5 Q. Have you ever spoken about the plaintiffs to
 6 any other person?
 7 A. No. Are you talking after this lawsuit was
 8 filed or --
 9 Q. We'll limit it in time. So, prior to this
 10 lawsuit being filed --
 11 MR. WINSKILL: Before the lawsuit.
 12 THE WITNESS: Oh, before the lawsuit.
 13 Q. Have you spoken with anyone regarding the
 14 plaintiffs?
 15 A. Once.
 16 Q. And who did you speak with?
 17 A. One of the employees at Olympic Credit.
 18 Q. Have you spoken with anyone else?
 19 A. Not to my recollection.
 20 MR. WINSKILL: Liquor Control.
 21 THE WITNESS: Yeah, and the Liquor Control
 22 guy, when he called me.
 23 Q. And when you spoke to the Liquor Control guy,
 24 do you recall who you were speaking to?
 25 A. No, sir, I don't.

14 (Pages 50 to 53)

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1 Q. And what did you say to the person from the
 2 Liquor Control Board?
 3 A. I believe he called me.
 4 Q. So he initiated the contact?
 5 A. I do not recall ever initiating any contact
 6 unless it was because he had called and left a number
 7 for me to return a phone call.
 8 Q. And what did you tell him?
 9 A. Person called me and asked me -- or identified
 10 himself -- I don't know what his name is -- and that he
 11 was investigating Mario Torres and wanted -- and was
 12 told that Mark Owens had given him my name, that I
 13 might have some information about him.
 14 Q. And what did you say?
 15 A. I told him I was hesitant to say anything to
 16 him at all, because anything I would say would sound
 17 like sour grapes on my part, since he had obviously
 18 gotten some work from one of my clients. And I -- he
 19 said, "I understand that," and I said, "I don't know
 20 anything about him." I repeated what Mr. Torres
 21 supposedly had said about WPSA price fixing.
 22 Q. Did you say anything else to the
 23 representative of the Liquor Control Board?
 24 A. If my memory serves me correctly -- and this
 25 has been a long time ago. Like I said, you know,

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1 any equipment.
 2 Q. Okay. Earlier you said somebody told you that
 3 he sure was able to find people quickly --
 4 A. Right.
 5 Q. -- and then they --
 6 A. And they said, "Well, do you think he's
 7 got" -- because we -- like in my office, I have a
 8 locate program. So, in reference to, well, he must
 9 have access to something, you know. What other -- what
 10 else does he have?
 11 Q. So did you ask the question of what other
 12 equipment he must have access to, or did somebody else
 13 ask that question?
 14 A. Somebody else asked that question, I believe.
 15 Q. Did you have an answer for that question?
 16 A. No, I did not. I don't know.
 17 Q. Do you have any personal knowledge about how
 18 Mario Torres or Casey Investigations conducts their
 19 business?
 20 A. None.
 21 Q. Ms. Perfley, what is your telephone number at
 22 work?
 23 A. (509) 766-2111.
 24 Q. And how long has that been the work number?
 25 A. Forever.

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1 why -- why would I remember any of this -- I believe
 2 this person told me that Mr. Torres was under
 3 investigation. And I had told him what they had said
 4 from Olympic Credit. And he asked me if I knew
 5 anything else about him.
 6 And I said, "Nothing, other than the fact that
 7 somebody told me that he sure was able to find people
 8 quickly and that it had" -- the question had been
 9 presented to me, "Well, do you think he's got access to
 10 a lot of equipment," and I said, "I don't know what he
 11 does, because I don't know him."
 12 Q. Who did you -- who did you hear that from --
 13 that he was able to find people quickly?
 14 A. From one of the workers at Olympic Credit.
 15 Q. Do you recall who that is?
 16 A. Her name was Lee. She's not employed there
 17 any longer.
 18 Q. Do you know Lee's last name?
 19 A. No, I don't remember her last name.
 20 Q. Do you remember what -- when that call was?
 21 When you talked to Lee?
 22 A. No, I don't.
 23 Q. And who asked you or indicated to you that he
 24 might have access to equipment?
 25 A. Nobody ever indicated that he had access to

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1 Q. And do you have a cell phone?
 2 A. Yes, I do.
 3 Q. What is that number?
 4 A. 771-2526.
 5 Q. (509)?
 6 A. Um-hum, yes.
 7 Q. Thank you. And how long have you had that
 8 cell phone number?
 9 A. I don't know. Three, four years.
 10 Q. Have you ever had a -- a different cell phone
 11 number?
 12 A. A long time ago.
 13 Q. Within the last four years, have you had a
 14 different cell phone number?
 15 A. I don't think so. I don't remember.
 16 Q. Okay. And what is your home number?
 17 A. (509) 764-6722.
 18 Q. Who is the service provider for the work
 19 phone?
 20 A. I don't know.
 21 Q. And who is your service provider for your cell
 22 phone?
 23 A. T-Mobile.
 24 Q. Has it been T-Mobile for the past three or
 25 four years?

15 (Pages 54 to 57)

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<p style="text-align: right;">Page 58</p> <p>1 A. I believe so. 2 Q. And who is the service provider for your home 3 phone? 4 A. Quest. 5 Q. Has it been Quest for the past three or four 6 years? 7 A. (Witness nodded.) 8 Q. Is that a yes? 9 A. I think so. AT&T might have squeezed in there 10 someplace, but I can't remember when. 11 Q. Do you keep any of your phone records? 12 A. No. 13 Q. Does A to Z keep any of its phone records? 14 A. I'm sure the bookkeeper does. 15 Q. And who is the bookkeeper for A to Z? 16 A. It's in our corporate office in Bellingham. 17 Q. Do you know their name? 18 A. Mary. 19 Q. Do you know Mary's last name? 20 A. Hone. 21 Q. Could you please spell that. 22 A. I think it's H-o-n-e. 23 Q. And how long has she been the bookkeeper 24 there? 25 A. I don't know.</p>	<p style="text-align: right;">Page 60</p> <p>1 A. SSP. 2 Q. SSP. 3 MR. MYHRE: I'd like to take a moment, and 4 would you please mark this as Exhibit-15. 5 Q. Ms. Pefley, I'm going to pass around an 6 exhibit. It's going to be marked No.-15. 7 (Exhibit-15 marked.) 8 (Discussion off the record.) 9 Q. Let me know when you're done reviewing it. 10 A. I'm . . . 11 Q. Okay. Ms. Pefley, what you have here marked 12 as Exhibit-15 is an e-mail from a Rick Phillips to a 13 Rex Prout. The -- in the e-mail, Rick Phillips 14 indicates that he spoke with you. Does this refresh 15 your memory as to who you might have spoken to at 16 Liquor Control Board? 17 A. It does not refresh my memory about the name 18 of who I spoke to. 19 Q. But it was a man at the Liquor Control Board? 20 A. Um-hum, yes. 21 Q. Could it have been Rick Phillips? 22 A. Obviously, yes. 23 Q. All right. In this letter, he indicates that 24 he spoke to you and that you had spoken with Mark 25 Owens?</p>
<p style="text-align: right;">Page 59</p> <p>1 Q. How long have you been working with Mary Hone? 2 A. Since the merge of the two businesses. 3 Q. So I'm correct in -- am I correct in sort of 4 characterizing what you said is that you have a cell 5 phone and a home phone, and you do not keep any 6 telephone records or bills for those phones? Is that 7 correct? 8 A. Nope. Pay my bill, and I don't keep them. 9 Q. The conversation you had with the person from 10 the Liquor Control Board, that was telephonic; is that 11 correct? 12 A. Yes, sir. 13 Q. And from what phone did you speak with him? 14 A. I do not remember. Either my office or my 15 cell phone. 16 Q. Do you use your cell phone for business or 17 personal use or for a combination -- 18 A. Both. 19 Q. -- of both? 20 A. Combination. 21 Q. Does -- does A to Z pay part of your cell 22 phone bill? 23 A. A to Z pays the cell phone bill -- or the 24 corporate. 25 Q. Which is?</p>	<p style="text-align: right;">Page 61</p> <p>1 A. Um-hum. 2 Q. And that Mr. Owens had given you Rick 3 Phillips' number. Do you recall that as having been 4 what took place? 5 A. I recall Mark -- yes, I recall Mark calling 6 and giving me a phone number. I do not remember the 7 name. I recall him saying that this man wanted me to 8 call him. 9 Q. And did you, in fact, call this man? 10 A. I cannot remember if he called me or if I took 11 the phone number and called him. 12 Q. He indicates in this e-mail that you -- and 13 I'll just read this, so we have it out there. "I told 14 her we had" -- quote, I told her we had initiated an 15 investigation -- excuse me, go back a paragraph. 16 Quote, She wanted to share that she thinks 17 Officer Torres has been using his access to State 18 computers to get addresses and other information for 19 his personal business of serving papers, end quote. 20 Did you say this to -- to the person -- 21 A. No, I don't believe I did. 22 Q. And what is the basis for your -- for your 23 saying you don't believe you said that? 24 A. I believe in the conversation that I had with 25 him, I was relaying to him rumors, things that had been</p>

16 (Pages 58 to 61)

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1 said to me, not sharing information with him that I had
 2 information or a fact that I knew this man was doing
 3 that. I was telling him what I had heard.

4 Q. And by "rumors," are you referring to the two
 5 rumors we've previously spoken about?

6 A. About the man being on investigation, yes, and
 7 about -- what was it? When Lee had said how he, you
 8 know, sure could find people. What does he have? I
 9 don't know.

10 Q. In the next paragraph, he says that he told
 11 you they had initiated an investigation into the
 12 complaints and would have the investigator contact you.
 13 Were you subsequently contacted by an investigator?

14 A. See, that I don't remember at all. I remember
 15 talking to someone. I do not know if it was one time,
 16 two times. I know I was told that there was an
 17 investigation going.

18 Q. So, after this conversation, you can't recall
 19 if you were contacted again?

20 A. I don't -- no, I don't remember.

21 Q. Ms. Pefley, I'd like to talk to you for a
 22 moment about your affirmative defenses in this matter.

23 A. Okay.

24 Q. Are you aware that you have alleged
 25 affirmative defenses in this case?

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1 A. Yes.

2 Q. Yes. So what I'm now going to be asking you
 3 is sort of the factual basis for those defenses. And
 4 it's your knowledge of the factual basis of that.

5 (Mr. Fearing left.)

6 MR. WINSKILL: He's just going to ask you
 7 about your understanding of those things, okay?

8 THE WITNESS: Right.

9 Q. Were you served with a summons and complaint
 10 in this matter?

11 A. No, sir, I was not.

12 Q. Was A to Z served?

13 A. No, they were not.

14 Q. And how do you know that A to Z was not
 15 served?

16 A. I have a secretary. If my office had been
 17 served with anything, I would have known.

18 Q. So the basis for your knowledge that A to Z
 19 was not served is that your secretary did not --

20 A. Well, nobody came in. I -- I never was served
 21 with anything. My office nor myself.

22 Q. How did you become aware of this lawsuit?

23 A. I was working in Wenatchee for the day and
 24 MaryLee had heard -- I don't even know how -- she
 25 called me.

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1 Q. "MaryLee," you mean, MaryLee Rustand?

2 A. MaryLee Rustand, yes.

3 Q. And she informed you of the lawsuit; is that
 4 correct?

5 A. Yes.

6 Q. Ms. Pefley, one of the affirmative defenses
 7 you asserted was that the plaintiffs had failed to
 8 state a claim. What is the factual basis for that
 9 particular assertion? To the best of your
 10 understanding.

11 MR. WINSKILL: If you know.

12 A. I don't know.

13 (Mr. Fearing entered.)

14 THE WITNESS: How's that?

15 Q. The next assertion you have made is that this
 16 matter lacks -- or this complaint lacks subject matter
 17 jurisdiction. What is your understanding of the
 18 factual basis for that assertion?

19 A. You have to speak with my attorney about that.

20 Q. Do you have any understanding at this time --

21 A. No, sir.

22 Q. The next affirmative defense you have asserted
 23 is -- is the contributory fault of the plaintiffs. Do
 24 you have any understanding of the factual basis for
 25 that assertion?

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1 A. No, sir.

2 Q. You have asserted that your acts were
 3 privileged. What is the basis for that assertion?

4 A. I'll let you -- I don't know.

5 THE REPORTER: Excuse me?

6 MR. WINSKILL: Nothing.

7 THE WITNESS: I'm just talking.

8 Q. Did you need to take a break?

9 A. No, I'm fine.

10 Q. Next you asserted that this lawsuit is not
 11 well grounded in fact or law and is frivolous. What is
 12 the basis for that assertion?

13 MR. WINSKILL: Your understanding.

14 A. I have got lots of things going through my
 15 mind here --

16 Q. Okay.

17 A. -- that I --

18 Q. Just answer it to the best of your ability.

19 A. If you were asking me, I would say yes, I
 20 think it's frivolous because I don't believe I did
 21 anything. I -- I repeated what I heard. I didn't
 22 state anything as being fact or having any knowledge
 23 of.

24 Q. Did you talk to anyone else concerning these
 25 rumors other than the people from the Liquor Control

17 (Pages 62 to 65)

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1 record is clear that --
 2 MR. MYHRE: Well, let's give them the same
 3 exhibit numbers.
 4 MR. WINSKILL: -- that we have duplicates.
 5 MR. MYHRE: Yeah.
 6 MR. WINSKILL: But what has been marked today
 7 as Exhibit-15 and discussed in the questioning of Ms.
 8 Pefley, which is the July 11th, Rick Phillips e-mail to
 9 Rex Prout, is Exhibit-6, which was marked and discussed
 10 during the deposition of Mario Torres on Monday.
 11 And what has just been marked as Exhibit-16,
 12 which is an e-mail from Rick Phillips also to Rick
 13 Prout, dated July 10th, has previously been marked and
 14 discussed as Exhibit-4 in the deposition of Mario
 15 Torres on Monday of this week.
 16 MR. MYHRE: All right. So let's correct. The
 17 references to that exhibit -- so the July 10th exhibit
 18 which you now have before you is Exhibit-4. And the
 19 July 11th e-mail that we previously discussed is
 20 Exhibit-6.
 21 MR. WINSKILL: Well, they've already been
 22 marked here, and so you're either going to have to
 23 withdraw them or just -- you know, just keep them in,
 24 but recognizing they're duplicates.
 25 MR. MYHRE: Well, let's just withdraw 15 and

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1 Q. Are you the person who said that?
 2 A. I never said he was killing my business.
 3 Q. Did you say that Mario was only charging \$30
 4 to serve papers in Moses Lake, Coulee City, and other
 5 areas?
 6 A. I probably said 25 to 30. Did I tell that to
 7 Mark? Yes, I did.
 8 Q. Did you -- did you tell Mark Owens that you
 9 felt the only way he could do this so cheap is to be
 10 doing it on State time using State vehicles?
 11 A. No, I did not.
 12 Q. All right. Thank you. Have you ever spoken
 13 with Rachel Montgomery?
 14 A. No.
 15 Q. Do you know who Rachel Montgomery is?
 16 A. No.
 17 Q. Does A to Z do business outside of the state
 18 of Washington?
 19 A. I forward papers out, outside the state of
 20 Washington, when it's needed.
 21 Q. And that's using the same process of referral
 22 that you had testified to earlier?
 23 A. It's using -- picking up the NAPPS book and
 24 going through it and seeing who lives in that area that
 25 might be able to serve the paper for me.

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1 16.
 2 MR. WINSKILL: Okay. All right.
 3 MR. MYHRE: That way -- I think it would be a
 4 lot easier if we don't have duplicates in the record.
 5 MR. WINSKILL: Well, I'm going to hand them
 6 back to the court reporter, so 15 and 16, and she can
 7 dispose of them.
 8 Q. All right. In this e-mail, Mr. Phillips says
 9 that he spoke with -- with Mark Owens.
 10 MR. WINSKILL: "This" being Exhibit-4.
 11 MR. MYHRE: "This" being Exhibit-4.
 12 Q. And he indicated that Mr. Owens, quote, Also
 13 said he had an affiliate in the Moses Lake area who
 14 said that Mario is killing her business. He is only
 15 charging \$30 to serve papers in Moses Lake, Coulee
 16 City, et cetera, and they feel the only way he can do
 17 it so cheap is to be doing it on State time and using
 18 his State vehicle, end quote. Are you the affiliate in
 19 Moses Lake?
 20 MR. WINSKILL: Well, you're asking her to
 21 speculate.
 22 MR. MYHRE: Well, I'm --
 23 MR. WINSKILL: If you're asking her if she's
 24 the person who said that, then I guess that would be
 25 speculation.

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1 Q. And the -- the out-of-state process servers
 2 then bill you, and you invoice your client; is that
 3 correct?
 4 A. Yes.
 5 Q. 2002, approximately how much business did you
 6 send outside of the state of Washington?
 7 A. I don't know.
 8 Q. Same question for 2003.
 9 A. I don't know.
 10 Q. And for 2004.
 11 A. I don't know.
 12 Q. Does A to Z keep records?
 13 A. Yeah. I don't do a great lot out of state.
 14 Q. On average, how much a month would you
 15 estimate you --
 16 A. I think you --
 17 MR. WINSKILL: Let him finish the question,
 18 please.
 19 Start over again.
 20 Q. On average, what do you estimate is the number
 21 of papers that you -- you send out of state for
 22 service?
 23 A. I wouldn't average it a month. I would say,
 24 by year, it may be a dozen a year perhaps.
 25 Q. Is that true for each year, 2002 through the

20 (Pages 74 to 77)

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1 been used in prior depositions.
 2 MR. WINSKILL: The Lack letter -- I can see
 3 that in front of you -- that's Exhibit-2.
 4 MR. MYHRE: That's Exhibit-2.
 5 (Discussion off the record.)
 6 Q. Exhibit-No.-2 is a letter from Robert Lack to
Rex Prout dated June 30th, 2003. If you will turn to
the second page of the letter. On the second page of
the letter, there are a list of affidavits,
approximately ten of them. Could you review that list.
 11 A. Um-hum.
 12 Q. Are you familiar with any of those affidavits?
 13 A. Do I know the people? No.
 14 Q. No, have you -- well, let's -- let me rephrase
the question. In -- in Moses Lake, these ten
affidavits were filed, and they were retrieved by
someone in the Moses Lake area for a Mr. Robert Lack.
Were you contacted by Mr. Lack concerning these
affidavits?
 20 A. No.
 21 Q. All right. Did you retrieve these affidavits
for Mr. Lack or for any other person?
 23 A. Not me personally. Someone in my office did.
 24 Q. Someone in -- and by "someone" in your office,
you're referring to who specifically?

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1 A. His name is Ron Simpson.
 2 Q. Ron Simpson. And he's -- what is the title of
his job?
 4 A. He was -- he's an employee -- does our courier
run, our courthouse run, file and conform documents, do
document retrieval.
 7 Q. Were you aware that he was sent to retrieve
these affidavits?
 9 A. Yes.
 10 Q. Okay. And how were you made aware of that?
 11 A. I had requested my office to see if we could
obtain copies of some documents from Grant County. I
put the request in Ron's box and asked him to see what
he could find.
 15 Q. Who made that request?
 16 A. I believe it came from Mark's office.
 17 Q. By "Mark," you mean, Mark Owens?
 18 A. Yes.
 19 Q. And did Ron Simpson convey these affidavits to
Mark Owens' office?
 21 A. No. He brought them to my -- back to our
 22 office, and they were faxed over to Mark's office.
 23 Q. Did you ever speak with Mark Owens or Robert
Lack about this request?
 25 A. I never spoke with Robert Lack. I don't even

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1 know who he is. Mark -- I -- if my memory serves me
 2 correctly, had called and said that there was something
 3 with the -- an investigation on Mr. Torres and they
 4 needed -- he had pulled some affidavits in Benton and
 5 Franklin County and could I possibly be able to find
 6 some affidavits of service that were -- that pertained
 7 to Casey Investigations, specifically Mr. Torres.
 8 Q. Okay.
 9 A. And I just said I'd try.
 10 Q. Did you --
 11 A. No.
 12 Q. Did you invoice Mark Owens or Pronto for that
service?
 14 A. No, I did not.
 15 Q. Okay. Did you do that service free of charge?
 16 A. Yes.
 17 Q. And why did you do that free of charge?
 18 A. Because it was my understanding that Mark had
been in contact with someone -- and I do not know
who -- that there was an investigation relative to Mr.
Torres and that Mark had been requested to see if he
could find some of this information so as to help with
the investigation. That is all I knew.
 24 Q. Okay. Did you have any other involvement in
the retrieval of these affidavits?

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1 A. No.
 2 Q. Was Ron Simpson compensated for his time in
retrieving those affidavits?
 4 A. Well, he was on the clock, yeah, working for
me, so . . .
 6 Q. I'd like to turn now to Exhibit-13. Woops.
 7 (Discussion off the record.)
 8 Q. Exhibit-13 is a March 22nd letter. Do you
 9 have --
 10 MR. WINSKILL: I've got a copy of it.
 11 Q. From Mario Torres to Mark Owens. It's dated
 12 March 22nd, 2002. In the letter, Mr. Torres is
 13 discussing a number of false allegations made about
 14 him. Would you review that letter for just a moment.
 15 Have you ever seen that letter before, Ms. Pefley?
 16 A. Not that I remember.
 17 Q. Did Mr. Owens ever call you to discuss this
 18 letter?
 19 A. I remember something that Mark had told me
that he had received a letter from -- from Mr. Torres
or he came to his office, but I don't remember anything
else about it. It -- I don't recall ever seeing the
letter.
 24 Q. Okay. Did Mr. Owens discuss any of the
 25 content of this letter with you?

22 (Pages 82 to 85)

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1 A. I believe that he told me that Mr. Torres had
 2 said that he was saying something about him, but
 3 that's -- I don't -- like I said, I don't really
 4 remember any specifics.

5 Q. Did he indicate to you what any of those
 6 allegations were? What those comments were?

7 A. No. No.

8 Q. I'd like you to take a look at Exhibit 14 to
 9 prior depositions. This is -- your counsel will --

10 MR. WINSKILL: I'll find a copy of it here.

11 Q. This is a second letter from Mario Torres to
 12 Mark Owens, dated July 10th, 2003. Would you take a
 13 moment to review that letter, please. Okay. Have you
 14 ever seen this letter before?

15 A. I don't think so.

16 Q. Did Mark Owens ever discuss this letter with
 17 you?

18 A. I don't think so.

19 Q. How many meetings of the Washington State
 20 Process Servers Association have you gone to? Have you
 21 attended?

22 MR. WINSKILL: This is -- you're talking about
 23 these yearly meetings, or you're talking about in
 24 connection with the board meetings or how --

25 MR. MYHRE: Let's -- we'll start with the

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1 yearly meetings.

2 A. I think I've gone to every convention, except
 3 for one which was in -- I think my son got married in
 4 2000, I think, and if it -- the convention was at the
 5 same time as my son's wedding, and so I didn't go.

6 Q. And how many meetings did you attend when you
 7 were working with the board?

8 A. In '04, two, I believe.

9 Q. So, as secretary, you attended two meetings?

10 A. I -- I believe -- I believe it was two.

11 Q. In any of the meetings you attended, either as
 12 a secretary or the yearly conventions as a -- in
 13 whatever capacity you were attending, was Mario Torres
 14 or Casey Investigations ever discussed?

15 A. Yes.

16 Q. And what were those discussions?

17 A. Are you saying in an actual meeting? Excuse
 18 me.

19 Q. Well, I'm unsure as to -- as to how the
 20 meetings actually occur. So, conceptually, at any of
 21 the meetings, either in a formal meeting or in an
 22 informal way, was Mario Torres or the plaintiffs
 23 discussed?

24 A. Yeah, the name was brought up. But it was
 25 never in a meeting. It was when a meeting would break.

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1 Q. So he was -- the plaintiffs were discussed?
 2 A. Like people are all there -- I'm talking about
 3 the state convention. I'm not talking about just a
 4 board meeting.

5 Q. So the plaintiffs were discussed at breaks in
 6 the -- during this state convention?

7 A. Well, might not -- not like, "Let's all run
 8 out in the hall and talk about Mario Torres," no.

9 Q. Well, what were the discussions?

10 A. It was -- people -- obviously the man had
 11 stepped on a few people's toes.

12 Q. And by that, what do you mean?

13 A. I mean, that he was coming into their backyard
 14 saying things, obviously, if it was getting back to
 15 us -- saying things that were not true. So, if there
 16 was a break and there was somebody -- and this is
 17 particularly in Eastern Washington -- and somebody was
 18 there and his name was brought up, you know, Did you
 19 hear Mr. Torres is serving papers for so and so now,
 20 and he's still saying that WPSA price fixes. That was
 21 pretty much what it was.

22 Q. So did -- it's your understanding that Mario
 23 had taken some of the clients from the WPSA members?

24 A. I don't know how many. I only know that he
 25 took one client from me.

Page 89

1 Q. Who was present in these discussions?

2 A. I don't know.

3 Q. Who participated in these discussions?

4 A. Mark would talk about him and just what was
 5 going on in his area. Dennis Copeland would talk about
 6 things that he had heard about him down in the Yakima
 7 area. And I'm a real good listener.

8 Q. Would anyone else discuss Mario or the
 9 plaintiffs?

10 A. Not anybody's name that I can think of right
 11 now, no.

12 Q. Were there others participating in the
 13 discussion?

14 A. No.

15 Q. So, this discussion would be between you and
 16 Mark Owens and Dennis Copeland?

17 A. Yes. And there could have been other people.
 18 I don't know who was standing around listening. It was
 19 at like a break, a session -- you know, you're standing
 20 there, and you go out, and conversations are going.
 21 Half the people are paying attention, and half aren't.
 22 It was a BS session.

23 Q. I got the impression that this kind of
 24 conversation took place more than once. Did it occur
 25 more than once?

23 (Pages 86 to 89)

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Diane L. Pefley

February 17, 2005

<p style="text-align: right;">Page 90</p> <p>1 A. I probably heard his name brought up several 2 different times. 3 Q. Were these at different convention meetings? 4 A. Um-hum. 5 Q. Is that a yes? 6 A. Yes. 7 Q. Yes. Was anything else said regarding Mario 8 Torres or Casey Investigations? 9 A. Not to my knowledge. 10 Q. Was it the same people having these 11 conversations at each of these meetings? 12 A. Yes. There could have been others, as far as 13 I know, but I wasn't in the same group. 14 Q. Have you ever discussed Mario Torres or Casey 15 Investigations with any potential clients from 2002 to 16 the present? 17 A. Absolutely not. 18 Q. And other than the Liquor Control Board, have 19 you ever discussed Mario Torres or Casey Investigations 20 with any governmental entity? 21 A. Absolutely not. 22 MR. MYHRE: All right. Ms. Pefley, I have no 23 further questions at this time. 24 THE WITNESS: "At this time." 25 MR. WINSKILL: I have no questions.</p>	<p style="text-align: right;">Page 92</p> <p>1 S I G N A T U R E 2 3 4 5 I declare under penalty of perjury under the 6 laws of the State of Washington that I have read my 7 within deposition, and the same is true and accurate, 8 save and except for changes and/or corrections, if any, 9 as indicated by me on the CHANGE SHEET flyleaf page 10 hereof. Signed in.....WA on the.....day 11 of....., 2005. 12 13 14 15 16 DIANE L. PEFLEY 17 Taken: February 17, 2005 18 19 20 21 22 23 24 25 Mindi L. Pettit, RPR, CCR</p>
<p style="text-align: right;">Page 91</p> <p>1 MR. ZISSLER: No questions. 2 MR. FEARING: No questions from me. 3 MR. WINSKILL: We reserve signature. 4 MR. MYHRE: And pending other information 5 coming to light with other depositions, such as 6 discovery responses, we may need to speak with you 7 again, but for now, we're done. Thank you very much. 8 MR. WINSKILL: We don't agree with that -- 9 THE WITNESS: Nice meeting you. 10 MR. WINSKILL: -- but we will cross that 11 bridge when we come to it. 12 (Deposition adjourned at 12:13 p.m.) 13 (Signature reserved.) 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 93</p> <p>1 C E R T I F I C A T E 2 STATE OF WASHINGTON) 3) ss. 4 COUNTY OF KING) 5 I, the undersigned Registered Professional 6 Reporter and an officer of the Court under my 7 commission as a Notary Public for the State of 8 Washington, hereby certify that the foregoing 9 deposition upon oral examination of DIANE L. PEFLEY was 10 taken before me on February 17, 2005, and transcribed 11 under my direction; 12 That the witness was duly sworn by me to 13 testify truthfully; that the transcript of the 14 deposition is a full, true, and correct transcript to 15 the best of my ability; that I am neither attorney for, 16 nor a relative or employee of, any of the parties to 17 the action or any attorney or counsel employed by the 18 parties hereto, nor financially interested in its 19 outcome. 20 IN WITNESS WHEREOF, I have hereunto set my 21 hand and seal this date: February 24, 2005. 22 /S/MINDI L. PETTIT 23 NOTARY PUBLIC in and for the State of Washington, 24 residing at Snohomish. Commission expires 25 June 27, 2006.</p>

24 (Pages 90 to 93)